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Vistas

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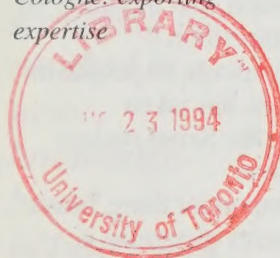
MARKETING ONTARIO'S EXPERTISE ABROAD

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Zeidler Roberts'
MediaPark in
Cologne: exporting
expertise



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BUILDING NEW MARKETS

The building boom of the 1970s and 1980s that gave Ontario a wealth of beautiful and functional buildings has also left a legacy of lean times and unemployment for many of the province's architects. With the bleak outlook for industrial and commercial work at home, many architectural firms are setting their sights on foreign projects. A recent string of successful proposals from Ontario firms is getting attention in the highly competitive world of international architecture.

"We're driven by the fact that there's no commercial work in Ontario," says William Nankivell, director of business development for Zeidler Roberts Partnership/ Architects in Toronto. "But our firm has always tried to balance its work, and we've been doing offshore work for about 25 years."

With offices in England, Germany, and Baltimore, Zeidler Roberts is well established in

the international marketplace. The firm's overseas projects are usually mixed-use urban projects combining shopping, residential, and office spaces. Its latest triumph is MediaPark, a mixed use development with office, hotel, residential, media, and telecommunications components, which opened this summer in Cologne, Germany. The 50-acre project's master plan was completed by Zeidler Roberts.

"We're also working on BNI City, which is a shopping centre and office development in Jakarta," says Nankivell. "And in London, we're designing Portcullis, which is a massive mixed-use development in Knightsbridge."

Nankivell points to Zeidler's Toronto Eaton Centre as a ground-breaking development in terms of large downtown shopping centres. The experience gained on this and other mixed-use projects at home have given Zeidler Roberts a

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Scott Associates' Prague Airport: going after the big projects

definite advantage in the international marketplace.

Another firm that is exporting Canadian expertise is Arcanco Inc., a consortium which is marketing the complete package of experience gained on Toronto's SkyDome. Roderick Robbie, principal of Robbie/Young + Wright Architects Inc. and the co-designer (with structural engineer Michael Allen) of the SkyDome, explains how the firm is approaching the export market.

"We've positioned ourselves through Arcanco to be a world force in all aspects of stadiums, arenas, sports and entertainment complexes," says Robbie. "This includes everything from financing, programming, design, and construction to the commissioning and operation of the building."

The Arcanco consortium boasts an impressive list of members, including Robbie's firm, engineers Adjeleian Allen Rubeli Ltd. (partner Michael Allen designed the movable roof technology for SkyDome), the NORR Partnership Limited, Architects and Engineers (an export leader in its own right) and SkyDome general contractor Ellis-Don Construction Ltd. The group is rounded out by Corporate Management Consultants International, business planners for several SkyDome ancillary businesses.

Along with building stadiums with Arcanco, Robbie/Young + Wright Architects brings a long list of completed projects to international competitions. The firm's experience covers everything from the Ministry of Pilgrimage in Saudi Arabia to shopping centres and housing developments.

"We have the right experience and skills here in Canada," says Robbie. "A job that is considered large in other countries may not be large by our standards."

Large projects are becoming the specialty of Scott Associates Architects Inc., currently on a short list of six firms in the running for the 10.5 million sq.ft. Seoul Airport. Designers of Terminal 3 at Pearson International Airport in Toronto, Scott Associates is currently at work on the new Prague Airport, Istanbul International Airport, and a TGV (high speed train) station in Brussels.

"They're expensive to chase, and the prospects are long-term,"

says partner David Scott. "But if you want to do international work, you have to go after the big projects. The airport projects that are financially feasible are few and far between, and the same 10 names come up on every competition."

Scott Associates, which employs 45 people in its Toronto and Florida offices, has taken advantage of OIC support on the Seoul project and an airport in Kiev, Ukraine.

"Credibility is the most important thing," says Scott, "and foreign governments recognize it. Sovereignty support is vital, and OIC has been among our best help."

The NORR Partnership, which has been a major player in the international market for over 20 years, is taking advantage of OIC support in its proposal for a major postal complex in Singapore. NORR's Bill Neish sees southeast Asia as a market with potential for Canadian firms.

"We're targeting markets by area," he says. "Three years ago, our proposal for the Forte Grand Hotel in Abu Dhabi established us in the Middle East, and we've subsequently gotten work on office and luxury apartment projects."

NORR has a strong presence in the Middle East, with a staff of 20 in its Abu Dhabi office and a new office in Dubai. "Our hope is to

A growing international reputation

establish other offices in the same way," says Neish.

Roderick Robbie, who with the other directors of Arcanco is currently pursuing the Grand Stade stadium project in Paris, agrees that assistance from federal and Ontario export agencies is vital to international success.

"Their help has been absolutely critical in our efforts," he says. "They provide market intelligence, and they provide access to foreign officials who probably wouldn't even see you on your own."

An international "word of mouth network" made up of various government officials, engineers, and developers also provides Ontario architects with the leads they need.

"We're putting together a proposal for a project in Thailand," says Zeidler Roberts' William Nankivell. "The lead came to us through

our London office, from a construction management company we've worked with in the past."

The growing international reputation of Canadian architectural firms is especially helpful at a time when domestic work is in the doldrums. Europe, Asia Pacific, the Middle East, and the United States all offer specific potential for Ontario architects. However, they aren't the only firms looking for work in the international market.

"The main industrial countries are in the same condition as us, or worse," warns Roderick Robbie. "Large firms are being forced to go after work they wouldn't have in the past, and the competition is ferocious. This is not the time for Canadian governments to be retreating in their export efforts, if we are to be a part of the global marketplace as a nation."

Geographic Information Systems

THE POWER OF INFORMATION

Imagine you're looking at a map of southern Ontario on a computer screen. You move the cursor to Niagara Falls, *click*, and the screen is filled with a detailed street map of the Honeymoon Capital. You move the cursor to a position at a street corner near the Falls, *click*, and the screen outlines buildings, roads, streetlights, and every other permanent physical feature. You choose "underground utilities" from the menu, and see (with digital accuracy) every electrical, gas, sewer, and water line. Using the computer to compare this streetcorner with three others in the area, you decide that "Elvis's Underground Wax Museum" would only be feasible if it's located outside the downtown area.

Geographic Information Systems, or G.I.S., make the instant analysis of a wide range of disparate data possible, in myriad applications ranging from mineral exploration to market research. A knowledge-based industry in which Ontario is a leader in several specific areas, G.I.S. offers exciting export potential in a world hungry for information in a useable form.

"GIS is a very powerful means of displaying information in a visual form," says Norah Prior, of Prior & Prior Associates Ltd. in Toronto. "And the industry is really quite robust in this province."

Geographic information systems technology got its start in the United States in the 1970s. Early applications focused on integrating and standardizing information gathered from mapping surveys. In Ontario, initial work in G.I.S. was driven by the Ministry of Consumer



Consultant Norah Prior: "a robust industry" and Commercial Relations (land registration) and the Ministry of Natural Resources (base/topographic mapping).

"Over the past 10 years, mapping programs from these two ministries have dominated the G.I.S. activity here in Ontario," says Prior. "But private sector firms have acquired the technology through government contracts, and they've now become the prime source of data collection and conversion for the mapping programs."

Ontario's expertise in G.I.S. is a natural outgrowth of the province's extensive experience in resource management. The Canadian survey industry emerged as a leader after World War II, completing up to 85 per cent of the world's photogrammetric work. Although that percentage has plunged to about 15 per cent in recent years because of the local application of new technology, this initial dominance has resulted in

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Ontario's long-standing expertise in surveying has resulted in a new knowledge-based industry with export potential

South America, Asia, the Middle East, and Africa are the areas to watch

G.I.S. (from page 3)

a vibrant G.I.S. industry.

As Norman Goba, Natural Resource Analyst at MNR's Provincial Remote Sensing Office points out, the province continues to build on its initial strengths.

"We're working on a long-term study now for Integrated Resource Management," he says. "The Ontario Basic Mapping System will convert everything we now have on paper to a digital format. When that's complete, everyone will map to the same base, whether they're interested in fish, trees, or minerals."

The Ministry of Natural Resources is currently developing ground rules and standards for the system, which will provide a G.I.S. methodology which can be used in any area of the world.

"Systems like this will allow us to take information from aerial or satellite surveys and integrate it with data from a G.I.S. data base," says Goba. "In the end, you get a relational data base that gives you a modelling capability. What if I cut this stand of trees? Is it close enough to a road for transportation? How will it affect the habitat of animals in the area?"

Although Ontario's G.I.S. capabilities are formidable, Australia, France, and Denmark offer stiff competition. According to Norah Prior, the prime export market for Ontario's G.I.S. industry is in less developed countries.

"South America, Asia, the Middle East, and Africa are the areas to watch," she says. "The reason Ontario is strong worldwide is because the technology is used in resource management. Our expertise is in data capture and conversion, and

also consulting services in specific areas."

This bodes well for Ontario's G.I.S. industry, since Prior also predicts that resource management and environmental management offer the biggest potential for growth over the next 10 years. Developing countries will also need G.I.S. to establish solid systems to allow the efficient and accurate collection of revenues from sources such as property tax.

"Developing countries are moving quickly to high tech solutions like G.I.S. because they are starting from scratch," notes Prior, who has written a report on Ontario's G.I.S. industry for the Ontario International Corporation. "The Ministry of Natural Resources is developing a digital, topographic natural resources mapping system for the Zimbabwe government. They will later be reallocating the ownership of the land and re-establishing records, and they'll be using G.I.S. to do it."

Export opportunities are also emerging in eastern Europe and Asia, with a multitude of new countries in need of up-to-date surveys.

"In some of these countries, the survey records have been gone for 50 years," says Norman Goba. "They're also interested in having an inventory of their resources, so they should provide opportunities."

Norah Prior emphasises that G.I.S. technology does not stand alone, and there is no such thing as a "G.I.S. system". As it turns out, this is another advantage for Ontario exporters working from a strong industrial, natural resource, and technological base.

"Our real strength is in employing the technology as an integral part of our expertise in other sectors," says Prior.

ONTARIO FIRMS WIN G.I.S. WORK IN MEXICO

Intera Information Technologies (Canada) Ltd. of Nepean, Ontario has secured a number of contracts with the Environmental Division of the Government of Mexico. Last June, Intera was invited to bid on five projects in Mexico, three of which involve developing environmental land use zoning for three Mexican states.

Another project will cover the development of a satellite-based system to monitor environmental change in Mexico, while the fifth project involves staff training for the Mexican government's Environmental Division.

Utilizing OIC assistance, Intera's successful proposals were submitted in association with Acres International and Eco-Ingeneria of Mexico. The projects will be completed using Intera's Tydac SPANS system, which is installed in Eco-Ingeneria's Mexico City office. Data will be presented to the client in both SPANSMAP format and hard copy. Along with the consulting work the contracts cover, Intera will process the data from satellite imagery from its Ottawa office.

THE GREENING OF EASTERN EUROPE

Ontario Environment Minister Ruth Grier visited eastern Germany recently, to meet with officials working on a massive upgrading of sewage and water treatment infrastructure. A consortium of Ontario companies is in the running for a number of contracts (see Vistas, summer, 1992), in what is proving to be a promising area for development of new export markets. Vistas interviewed Ruth Grier in her Toronto office.

Vistas: The former East Germany has been identified as an environmental "hot spot" with a number of serious problems. What were your first impressions on your visit?

Ruth Grier: What was interesting to me in visiting Europe was the commonality of the problems. Whether we were in Stuttgart, Frankfurt, Saxony, or Catalonia in southern Spain, a prime question was one of contaminated soil and the clean-up and de-commissioning of former industrial sites. It's at the forefront of everybody's agenda. We came back agreeing with our political counterparts in Europe that there was an opportunity to exchange information in that area. The second issue that came up again and again was groundwater, especially in Saxony and Bad Döben in Germany.

Vistas: What sort of reception did you get in Germany?

Ruth Grier: It was a big event for the Environment Minister for Ontario to come and visit, and they went to a great deal of trouble. In the case of the sewage and water treatment projects that the Ontario consortium is bidding on, they're looking at treatment schemes for a fairly large area. The Ontario consortium is designing a system that has greater flexibility, and is more directly applicable to the size of the various communities that need it, as opposed to one big central system. I think that the east German mayors (who toured Ontario facilities last spring) recognized that this was a better way of doing it.

Vistas: Why isn't the former West Germany more involved in a project like this? They have the technology and the resources.

Ruth Grier: That's the whole question. They're providing tremendous support, in terms of secondment of staff and cash. What's significant about this is that these are medium and small scale projects, and the West German companies are



Eckhard Tulaszewski, Mayor of Bad Döben, Germany, accompanies Environment Minister Ruth Grier on a tour of his city.

concentrating on the big ones. I got a sense that the east German communities need this technology, and want to get on with the job. So the Ontario consortium is there, and anxious to demonstrate that they can compete, not just on the smaller projects, but on the larger ones as well.

Vistas: The problems are massive, aren't they?

Ruth Grier: It is a massive problem. What's interesting is that the reason they're having to address it quickly is that the regulations in the European Community have created the need and the deadline to install sewage treatment systems. It's a classic case where regulations from the EC have forced the municipalities to upgrade, and therefore created the need for new technologies. Environmentalists make this point all the time: the regulation drives the development of new technology.

Vistas: How much input do you think that an elected official, such as yourself, has on the process of awarding contracts like these in Germany?

Ruth Grier: It's new experience for me, but during my visit I emphasized that Ontario's expertise goes back a long way. What I can do is to reassure them that this Ontario consortium has a basis in experience, and support from its own government.

Vistas: How important are these particular contracts for sewage and water treatment in eastern Germany?
(see page 6)

Interview with Ruth Grier...

Ruth Grier: They're important contracts in themselves, but they can also establish a foothold in the European market for Ontario companies. This is one of the reasons I felt it was important to lend government support to the consortium. The fact that the mayors came over here, and were able to see projects that had been up and running for years obviously impressed them. But you can't bring everybody here, so to have something to demonstrate in Europe would be very useful.

Vistas: What's your view on the general European market for Ontario's environmental expertise? Is there a lot of potential?

Ruth Grier: I think so. For example, in Canada, we've developed expertise in groundwater because that is an issue for us. Our ministry is putting on a seminar in conjunction with the Groundwater Institute at the University of Waterloo, and I think it will provide some real opportunities for Ontario industry to share what they've been doing in Ontario with people from Europe.

But I think that a number of countries in Europe are ahead of us in regulation. For example, Sweden is ahead of us in North America in most areas. In some areas, they are ahead, in others we have perhaps done more work, but there are enough

similarities that there are opportunities to work together.

Vistas: Currently in Europe, you have a range of environmental standards, from Sweden to Spain or Portugal, so this should offer a range of export potential as they're harmonized.

Ruth Grier: It does generally run from north to south. In Spain, you only have to walk down the street to know that emissions from automobiles are not controlled to our standards. There's a lot of catch-up to be played in a number of countries.

Vistas: Isn't your involvement in helping the Ontario consortium demonstrate its capabilities a new direction for your ministry?

Ruth Grier: I don't think that the MITT or OIC people have had a Minister of the Environment over doing this kind of visit before. It was very interesting, and I hope programs like this lead into new potentials for green industries. Ontario has a good reputation and I see some real advantages for us to diversify our export efforts and break into the European market.

It certainly is a growth area, and I hope to develop more partnerships. We can say to industry here: if you do it for yourself, you can also find a niche for your technology or service and market it somewhere else.

\$130 BILLION U.S. MARKET

EXPORTS HELP ENVIRONMENTAL PROTECTION INDUSTRY GROW

Ontario's environmental protection industry is poised for significant growth over the next five years, according to a recent report released by the Ministry of the Environment and the Ministry of Industry, Trade and Technology. The report's projections call for an annual growth rate of 14 per cent for each of the next five years.

The United States, Mexico, and Europe are identified as prime areas for export development in the next few years. Exports currently account for 25 per cent of the industry's product sales, and 10-15 per cent of service sales.

The U.S. market is currently estimated at \$115-\$130 billion annually, and is expected to grow to a total of \$154 billion by the year 2000. Major developments in European Community environmental control policies are expected to boost demand in that market, which stood at \$100 billion in 1989. The Eastern Europe market is expected to reach \$16 billion. The study predicts a \$10 billion market in Mexico for pollution control equipment.

The \$2.5 billion industry, which currently employs about 30,000 people in Ontario, is expanding in several areas, including hydrogeology, environmental science, and air quality chemistry. Areas with the fastest rate of growth include municipal water and sewage treatment, laboratory services, recycling, and hazardous waste treatment.

THE NEW ECONOMIC ORDER IN INDIA

**By Margaret Vokes,
OIC Area Director**

The Indian market offers enormous commercial potential for Ontario firms. India's economic and trade reform program, coupled with government admissions of past mistakes and open declarations about the need to catch up with the rest of the world, are concrete indications that a new economic order is in store for the country. The business leaders I met were certain that "there is no turning back", and that many reforms, including full convertibility of the rupee, are in the offing.

If implementation of these reforms proceeds relatively smoothly over the next 12 to 18 months, India will definitely provide exciting new business opportunities. I believe that companies which position themselves in the market now will be well-placed to reap the reward in one to two years.

Although there is a lot of indigenous capacity in India, there are certainly areas in which Ontario firms can compete--particularly if the right strategic alliances are made with Indian companies. For example, opportunities in the power sector are tremendous, although financing for thermal power plants is still a question mark. However, I am confident that if the economic reform plan continues, private sector confidence will increase, and project financing will be viable.

With the groundwork completed by the Ontario Ministry of Transportation and the Ministry of Industry, Trade and Technology, the surface transportation sector offers tremendous

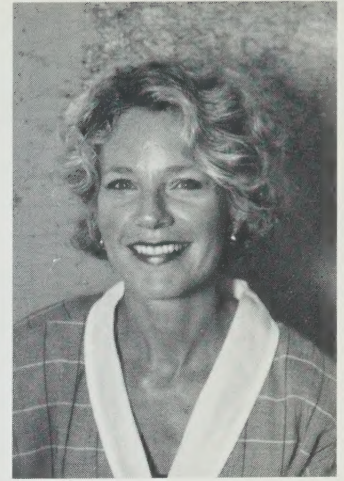
potential. Virtually all sectors related to infrastructure and industry offer exciting opportunities, including transportation, telecommunications, heavy industry, agricultural, and environmental protection. India is definitely a market that warrants closer attention.

VALUE FROM LOCAL REPRESENTATIVES

This trip also reminded me of the excellent value we receive in hiring local representatives. The benefits are numerous: identifying new, key contacts; providing OIC with direct access to these people and with the credibility needed to follow through; uncovering new business opportunities for Ontario firms; delivering the "inside track" commercial intelligence that only nationals with good local connections can provide.

Whether we like to admit it or not, the reality is that people feel most comfortable doing business with people they know well. The great advantage of working with a local person is that one gains trust by simple association, resulting in a considerable reduction in the time frames of doing business.

OIC Area Director Margaret Vokes recently returned from a trip covering Malaysia, Thailand, Sri Lanka, and India.



*The surface
transportation
sector offers
tremendous
potential*

A CLEAR SET OF RULES FOR EXPORTERS AND CUSTOMERS

Who has the law on their side when an export deal goes sour? Until now, exporters were on their own in disputes with customers, and the result has often been frustrating and costly international litigation. The Vienna Sales Convention (VSC), which took effect in Canada on May 1, 1992, promises to resolve the problem, with a clear set of rules that will benefit all parties involved.

Developed by the United Nations Commission on International Trade Law, the VSC sets out basic rules for the sale of goods involving more than one country. The Convention covers the basic issues, such as the finality of a contract and the rights and duties

of both parties to a transaction.

The VSC has been adopted by most of Ontario's major trading partners, including the United States, Italy, France, Germany, China, and the Scandinavian countries. Although Japan and the United Kingdom have not adopted the Convention, exporters doing business in those countries may be able to apply the VSC's rules to individual contracts.

The agreement clarifies exactly when a contract is formed, the obligations of both buyer and seller, and the remedies for breach of these obligations. It applies automatically to all contracts signed after May 1, but companies retain the right to opt out.

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ONTARIO
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SANDERSON APPOINTED OIC CHAIRMAN

John Sanderson, Vice-President, Corporate Development at CP Trucks in Willowdale, Ontario, is the new Chairman of the Board at



Ontario International Corporation. Mr. Sanderson brings extensive international experience to the board, having served as Vice President and Director of CanPac International Freight Service and as a consultant to the World Bank in Tanzania. He has also had extensive business dealings in South America, Asia, and Japan.

Mr. Sanderson is a member (and Past President) of the Ontario Chamber of Commerce, the Hong Kong/Canada Business Association, Belgian/Canadian Business Association, Canadian Trucking Association (Past Director), Canadian Manufacturing Association, Metro Toronto Board of Trade, and the Environmental Council Transportation Association of Canada.

A graduate of McGill University in Montreal with a post graduate diploma in business administration, Mr. Sanderson also received a B.A. Sc. (industrial engineering) from the University of Toronto.

OIC MARKETING TRIPS SCHEDULE

Ontario professionals and firms interested in international business can co-ordinate their marketing campaigns with market development trips by OIC Area Directors and discuss market conditions when the Area Directors return.

OIC Area Directors can be reached at (416) 314-8200.

- Sandra Bruce, **Eastern Europe**, Sept. 18-Oct. 4: Estonia, Ukraine, Poland, Turkey
- Robert Decent, **Western Europe**, Sept. 8-Oct. 8: London, Lisbon, Athens, Malta, Vienna, Dublin
- Philip Wong, **Far East**, Sept. 14-Oct. 10: Korea, China, Hong Kong, Taiwan
- Al Wahba, **Middle East and South Asia**, October: Saudi Arabia, Yemen
- Fred Sheehy, **Caribbean & Latin America**, September: Mexico; November: Trinidad, Venezuela
- Jim Thompson, **Southeast Asia**, mid October-early November: Philippines, Singapore, Indonesia, Australia
- Margaret Vokes, **Asia Pacific**, late September, early October Malaysia, Thailand, Indonesia, India

STAY INFORMED WITH OIC PUBLICATIONS

Ontario International Corporation produces a wide range of informative publications for its domestic and international clients. If you would like copies, call (416) 314-8200, or order by fax at (416) 314-8222. Please include the titles of the publications you wish to receive.

•Industry Profiles:

- #1 Profile of the Mining Sector in Ontario
- #2 Profile of Geographic Information Systems in Ontario
- #3 Profile of the Healthcare Sector (available December 1992)

•**Ontario's Expertise**, a 12 part series focusing on key sectors: consulting engineering, transportation, mining, healthcare, power generation and distribution, architectural and interior design, education and training, tourism development, agricultural services, forestry, environmental protection, and telecommunications.



•Client Registration Form

•International Projects Fund Applications

•Information brochure for domestic clients

•Information brochure for international clients (available in English, Spanish, Chinese, and Turkish)

•**OIC Annual Report 91/92** (available late fall)
Look for the OIC display in the lobby of 900 Bay St. at Queen's Park in Toronto during October, which will profile the successes of OIC clients and highlights of the past year.